



TOWN OF KENTVILLE POLICY STATEMENT G46F INTEREST ON DEPOSITS

1.0 PURPOSE

To provide a uniform policy giving direction for accrual of interest on deposits held by the Town of Kentville Sewer Utility and the Town of Kentville Water Utility.

2.0 DEFINITIONS

The authority for the implementation of this policy is found in the Municipal Government Act Part 7- By-Laws S.172, the Town of Kentville Bylaws- Chapter 60 –Sanitary Sewer Bylaw- Amendment Respecting Deposits (Passed by Kentville Town Council- January 22, 2002) and from the Rules and Regulations Governing the Supply of Water by the Kentville Water Commission (Schedule D) (Approval by Nova Scotia Utility and Review Board -June 1, 1999)

3.0 SCOPE

The Town of Kentville shall have the objective to treat all customers equally. Council deems it necessary to impose deposits on applicants for utility service, other than the owner of the property. The deposit is to be held by the Town of Kentville for the Sewer Utility deposit and by the Town of Kentville Water Commission for the Water Utility deposit. These deposits are held as collateral security for the payment of the bills relating to utility services rendered by the Town's utilities.

4.0 PROCEDURES

This policy statement shall be applied to the following deposits:

Sewer Utility deposit	\$50.00
Water Utility deposit	\$50.00

Interest payable on deposits shall be calculated annually on March 31 of each year and accrued to the respective deposit ledger.

When the customer ceases utility service, and all bills are paid in full, the deposit(s) is (are) to be returned at a rate of interest determined as follows:

For Water Utility deposits- at a rate of 6% per annum, as per the Rules and Regulations of the Kentville Water Utility (as cited above).

For Sewer Utility deposits- based on the rate of interest obtained by the Town of Kentville on its surplus cash balances on deposit with its banker as at March 31 of each

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fiscal year.

Failure of the customer to pay the utility bill on the due date shall constitute a forfeiture of the deposit(s) and its accrued interest, in addition to other remedies.

5.0 ASSOCIATED DOCUMENTS

6.0 POLICY REVISION HISTORY

Date Created: April 10, 2002
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CAO Mark Phillips